



## Index Rules and Methodology

<u>Index Name</u>	<u>Ticker</u>
Victory US Equity Large-Cap 500 Index	VLGX
Victory Extended Market Index	VEXM

## Table of Contents

Introduction .....	3
Index Objective .....	3
Highlights .....	3
Dates .....	3
Supporting Documents .....	3
Index Construction .....	4
Universe .....	4
Selection.....	4
Weighting.....	4
Rebalancing and Reconstitution .....	4
Index Maintenance .....	5
Index Calculation.....	5
Index Governance .....	5
Index Policies .....	5
Index Information .....	5
Rule Book Modifications .....	5
Contact Information.....	5
Disclaimer.....	5

## Introduction

### Index Objective

The Victory US Benchmark Indexes (the “Benchmarks”) are a family of benchmark indexes designed to provide accurate coverage to segments of publicly listed US stocks that together represent over 98% of the market capitalization of the US market.

### Highlights

Victory US benchmarks include:

Victory US Equity Large-Cap 500 (VLGX): The 500 largest US stocks.

Victory Extended Market Index (VEXM): The 501<sup>st</sup> through 3000<sup>th</sup> largest US stocks.

### Dates

Snapshot Dates: The starting universe is updated semi-annually based on data as of the last business days of May and November.

Reconstitution Dates: Close of trading on the third Fridays of the last month of each semi-annual period (Jun and Dec).

Record Dates: Share weights will be based on prices as of the close of trading on the day before the second Friday of the rebalancing month.

Rebalance Dates: Close of trading on the third Fridays of the last month of each quarter (Mar, Jun, Sep, and Dec.)

### Supporting Documents

This methodology is meant to be read in conjunction with supporting documents providing greater detail with respect to the policies, procedures and calculations described herein.

The list of the main supplemental documents for this methodology can be found in the Methodologies and Governance tabs on the [Index Resources](#) page as follows:

Supporting Documents
Index Maintenance Policy
Index Governance
Index Policies
Methodology Policies
Glossary
Index Change and Consultation Policy

## Index Construction

### Universe

The universe for the indexes is all US domiciled stocks. Certain stocks domiciled in countries other than the US are also included in the universe, provided the US is the principal place of business for these stocks and their primary stock exchange listing is in the US.

Stocks that trade over the counter (pink sheets or bulletin board) are excluded from the Benchmarks.

Certain pass-through securities, including REITS, Mortgage REITS, Master Limited Partnerships, Closed-End Funds and Business Development Companies, are excluded from the Benchmarks. REITS and Mortgage REITS are included in the Victory US series.

The starting universe is updated semi-annually based on data as of the “Snapshot Dates”.

### Selection

Stocks must maintain an R-Score greater than 1 over the 90 days preceding the “Snapshot Dates” to be included in a Benchmark. The R-Score is calculated as follows:

$$\text{R-Score} = \text{90-day ADTV (thousands USD)} / \text{Float Market Capitalization (millions USD)}$$

Stocks must have traded at least 22 days in the 90 days preceding the “Snapshot Dates”.

Stocks are selected for inclusion in the Benchmarks based on the company’s full market capitalization rank in the starting universe.

Victory US Large-Cap 500 (VLGX): Shares of the 500 largest ranked US companies are included. One company may have multiple eligible share classes.

Victory Extended Market Index (VEXM): The 501st through 3000th largest ranked US companies are included. Only the most liquid share class is selected to represent each company. (see Index Maintenance Policy for additional details)

Buffers of 10% are applied to the eligibility criteria at each reconstitution for current constituents of the benchmarks.

### Weighting

All stocks selected for inclusion are weighted based on the company’s float market capitalization.

Victory US Large-Cap 500 (VLGX): Each constituent is weighted based on its float market cap.

Victory Extended Market Index (VEXM): Each constituent is weighted based on the aggregate float market cap of its share classes that meet liquidity and trading requirements.

Share weights will be based on prices as of the close of trading on the “Record Dates”.

### Rebalancing and Reconstitution

The Indexes are rebalanced on the “Rebalance Date” and additionally reconstituted on the “Reconstitution Date”.

Data used for reconstitutions are as of the “Snapshot Date”.

Share weights for the rebalanced Indexes are computed as of the “Record Date”.

Changes to the Indexes related to the rebalances are as of the “Rebalance Date”

### Index Maintenance

Please refer to the Index Maintenance Policy document for information on Corporate Actions, Data Sourcing, Pricing, Financial distress, Index Dissemination, and Data Correction Policy

### Index Calculation

Please refer to the Index Maintenance Policy document for information on index calculations.

### Index Governance

The index is governed and managed by a VettaFi Index Committee for the purpose of meeting the goals of the index. For more information, please refer to the Index Governance document.

### Index Policies

Please refer to the Index Policies document for information regarding Announcements, Holiday Schedules, Unexpected Exchange Closures, and Recalculation Policy.

### Index Information

Index	Price Index	Base Date	Base Value	Total Return Index	Base Date	Base Value
Victory US Equity Large-Cap 500	VLGX	12/17/99	1000	VLGXT	12/17/99	1000
Victory Extended Market Index	VEXM	12/17/99	1000	VEXMT	12/17/99	1000

### Rule Book Modifications

Effective Date	Previous	New	Note

### Contact Information

For any questions regarding an index, please contact: [index.production@vettafi.com](mailto:index.production@vettafi.com)

### Disclaimer

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